questions are being asked. The Federal Government is working hard to produce the vaccine necessary to protect American families. We find that one in five children are impacted by H1N1.

In Houston, we held a congressional briefing with a number of my colleagues and we saw firsthand the importance of a public-private partnership, i.e., a public option in health care reform. We saw the need for county governments and city governments and clinics working with private pediatricians to help stem the tide of H1N1.

This is a time now to pass health care reform. This is also a time to stay focused on providing the information and, of course, the support in protecting America against the surge, if you will, or the pandemic of H1N1.

Health care is a priority, and we must pass health care reform and focus on working with our local governments and State governments to protect our children in America.

PAY ATTENTION TO THE AMERICAN PEOPLE

(Mr. DANIEL E. LUNGREN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL E. LUNGREN of California. Madam Speaker, recently the nonpartisan Galen Institute commissioned a national survey on the issue of health care; very interesting results.

Seventy-one percent of the American people are opposed to the requirement that all Americans must purchase health insurance or pay a penalty, which is part of the plan that is before this House.

Fifty-eight percent of the American people oppose increasing taxes on the working and middle class in order to help cover the uninsured, most of them strongly opposing that.

And, Madam Speaker, 71 percent of the American people are concerned that their own health insurance will change if Congress passes health reform as proposed in this Congress.

Madam Speaker, isn't it about time we paid attention to the American people instead of ignoring them?

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SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 2009, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

A TALE OF TWO COUNTRIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Madam Speaker, Fortune magazine reported on October 20, 2009, a title story, ''Big Banks, Take Your Money and Run.''

The New York Times today reported, ''As Wall Street has returned to business as usual, industry power has become even more concentrated among relatively few firms.''

A handful of mammoth banks has brought our Nation, our credit system and our economy to its knees. Some call them ''too big to fail.'' One must ask:

Why should a few big players have so much power that they can force taxpayer bailouts for themselves, can shut off credit and can hold the reins of our economy in their hands?

A handful of firms are gobbling up our money and are killing off smaller banking institutions. Congress and this administration are just letting them do it. My friends, such concentration of financial power is dangerous to our country.

A few Wall Street firms are on the fast track to controlling all banking in this country. Rather than address this by breaking up these banks, some in Washington say they just want to regulate them better. If you believe that, you haven't paid any attention over this last year.

The biggest banks are getting bigger. In fact, a year ago, the biggest ones controlled 30 percent of the deposits in the country, according to Fortune magazine. Now they're up to 37 percent, and they're growing even faster. Here are their names: Bank of America, Wells Fargo, JPMorgan Chase, Citigroup, and PNC. PNC practically has price control power over western Pennsylvania and eastern Ohio right now.

These firms have already shown us that regulations mean nothing to them. They invent loopholes before Washington has even thought of them. Why wouldn't they again? Not all of their activities were by the book either. Fraud is rampant. Yet we cannot even get a grip on fraud because there are not enough FBI agents to look into mortgage, corporate and securities fraud. We need 1,000 FBI agents, not a few hundred, to untangle what has really been going on.

Americans have a right to be angry about being cheated out of their money, their homes and their jobs; but how long will Congress and the administration tiptoe around the power grab? Wall Street goes right on, seizing all they can get their hands on, and they are holding onto the money so tightly they're not lending it. They're buying up one another and the smaller banks, rewarding themselves quite handsomely.

There is a clear solution: Break them up. It's overdue. The Governor of the Bank of England says to break them up. Why not? Why are we protecting Wall Street's bad boys?

Another terrible precedent: rewarding more hazard rather than preventing it. We've been there before, and look where it got us now. This brings to mind Charles Dickens' 19th-century English masterpiece, ''A Tale of Two Cities,'' except this is the United States, and it is the 21st century, and it is a tale not of two cities but of two countries.

There is one country where the giant banks are making so much money that they are setting aside enough to pay each worker in their investment banking division a bonus of $353,834. That country is Wall Street. The other country, where I come from—Toledo, Ohio and places like it—is where the median household annual income is not even one-tenth of what they get as bonuses. Our median income is $35,216. That's not even one-tenth as much as JPMorgan Chase is setting aside just for bonuses for its investment banking employees.

In one country, banks make themselves too big to fail. They privatize their profits and they socialize the losses. In the other country, which I represent, families, which are too small to matter, lose their jobs to globalization and their homes to foreclosure.

In the other country, where I live, the unemployment rate exceeds 13 percent. Housing values have fallen more than 10 percent in a single year, and foreclosures are up 94 percent. The mortgage workouts Congress promised with all of those bills that were rushed through here are just an illusion. They're not happening.

There is something really wrong with this picture. There is something really wrong with our economy.

Even one of the Wall Street analysts picked up on it. He was quoted by the AP as saying, ''Wall Street is picking up quite smartly while Main Street continues to suffer.'' Do you mean someone up there has finally noticed?

Madam Speaker, there is a solution here: Break them up. It's long overdue.

[From the New York Times, Oct. 26, 2009]

TRYING TO REIN IN ''TOO BIG TO FAIL'' INSTITUTIONS

(By Stephen LaBaton)

WASHINGTON.—Congress and the Obama administration are about to take up one of the most fundamental issues stemming from the near collapse of the financial system last year—how to deal with institutions that are so big that the government has no choice but to rescue them when they get in trouble.

A senior administration official said on Sunday that after extensive consultations with Treasury Department officials, Representative Barney Frank, the chairman of the House Financial Services Committee, would introduce legislation as early as this week. The measure would make it easier for the government to seize control of troubled financial institutions, throw out management, wipe out the shareholders and change the terms of existing loans held by the institution.

The official said the Treasury secretary, Timothy F. Geithner, was planning to endorse the changes in testimony before the

House Financial Services Committee on Thursday.

The White House plan as outlined so far would already make it much more costly to be a large financial company whose failure would put the financial system and the economy at risk. It would force such institutions to hold more money in reserve and make it harder for them to borrow too heavily against their assets.

Setting up the equivalent of living wills for corporations, that plan would require that they come up with their own procedure to be disentangled in the event of a crisis, a plan that administration officials say ought to be made public in advance.

''These changes will impose market discipline on the largest and most interconnected companies,'' said Michael S. Barr, assistant Treasury secretary for financial institutions. One of the biggest changes the plan would make, he said, is that instead of being controlled by creditors, the process is controlled by the government.

Some regulators and economists in recent weeks have suggested that the administration's plan does not go far enough. They say that the government should consider breaking up the biggest banks and investment firms long before they fail, or at least impose strict limits on their trading activities—steps that the administration continues to reject.

Mr. Frank, Democrat of Massachusetts, said his committee would now take up more aggressive legislation on the topic, even as lawmakers and regulators continue working on other problems highlighted by the financial crisis, including overseeing executive pay, protecting consumers and regulating the trading of derivatives.

Illustrative of the mood of fear and anger over the huge taxpayer bailouts was Mr. Frank's recent observation that critics of the administration's health care proposal had misdirected their concerns Congress would not be adopting death panels for infirm people but for troubled companies.

The administration and its Congressional allies are trying, in essence, to graft the process used to resolve the troubles of smaller commercial banks onto both large banking conglomerates and nonbanking financial institutions whose troubles could threaten to undermine the markets.

That resolution process gives the government far more sweeping authority over the institution and imposes major burdens on lenders to the companies that they would not ordinarily face when companies go into bankruptcy instead of facing a takeover by the government.

Deep-seated voter anger over the bailouts of companies like the American International Group, Citigroup and Bank of America has fed the fears of lawmakers that any other changes in the regulatory system must include the imposition of more onerous conditions on those financial institutions whose troubles could pose problems for the markets.

Some economists believe the mammoth size of some institutions is a threat to the financial system at large. Because these companies know the government could not allow them to fail, the argument goes, they are more inclined to take big risks.

Also, under the current regulatory structure, the government has limited power to step in quickly to resolve problems at nonbank financial institutions that operate like the failed investment banks Lehman Brothers and Bear Stearns, and like the giant insurer A.I.G.

As Wall Street has returned to business as usual, industry power has become even more concentrated among relatively few firms, thus intensifying the debate over how to minimize the risks to the system.

Some experts, including Mervyn King, governor of the Bank of England, and Paul A. Volcker, the former chairman of the Federal Reserve, have proposed drastic steps to force the nation's largest financial institutions to shed their riskier affiliates.

In a speech last week, Mr. King said policy makers should consider breaking up the largest banks and, in effect, restore the Depression-era barriers between investment and commercial banks.

''There are those who claim that such proposals are impractical. It is hard to see why,'' Mr. King said. ''What does seem impractical, however, are the current arrangements. Anyone who proposed giving government guarantees to retail depositors and other creditors, and then suggested that such funding could be used to finance highly risky and speculative activities, would be thought rather unworldly. But that is where we now are.''

The prevailing view in Washington, however, is more restrained. Daniel K. Tarullo, an appointee of President Obama's, last week dismissed the idea of breaking up big banks as ''more a provocative idea than a proposal.''

At a meeting Friday at the Federal Reserve Bank of Boston, the Federal Reserve chairman, Ben S. Bernanke, said in response to a question by a former Bank of England deputy governor that he would prefer ''a more subtle approach without losing the economic benefit of multifunction, international firms.''

Republican and Democratic lawmakers generally agree that the ''too big to fail'' policy of taxpayer bailouts for the giants of finance needs to be curtailed. But the fine print—how to reduce the policy and moral hazards it has encouraged—has provoked fears on Wall Street.

Even before Mr. Frank unveils his latest proposals, industry executives and lawyers say its approach could make it unnecessarily more expensive for them to do business during less turbulent times.

''Of course you want to set up a system where an institution dreads the day it happens because management gets whacked, shareholders get whacked and the board gets whacked,'' said Edward L. Yingling, president of the American Bankers Association. ''But you don't want to create a system that raises great uncertainty and changes what institutions, risk management executives and lawyers are used to.''

T. Timothy Ryan, the president of the Securities Industry and Financial Markets Association, said the market crisis exposed that ''there was a failure in the statutory framework for the resolution of large, interconnected firms and everyone knows that.'' But he added that many institutions on Wall Street were concerned that the administration's plan would remove many of the bankruptcy protections given to lenders of large institutions.

[From CNNMoney.com, Oct. 20, 2009]

BIG BANKS TAKE YOUR MONEY AND RUN

THE TITANS THAT SURVIVED LAST YEAR'S TUMULT HAVE GATHERED DEPOSITS BY THE BUSHEL. BUT THEY HAVE SHOWN LESS OF A KNACK FOR LENDING IT OUT

(By Colin Barr)

NEW YORK.—A river of cash has flowed into the biggest banks over the past year. But for borrowers, it has been more of a meandering stream.

Deposits at the top five bank holding companies soared 29% in the year ended June 30, according to the Federal Deposit Insurance Corp.

Yet only one of those banks—PNC (PNC, Fortune 500) of Pittsburgh—boosted its lending by the same magnitude, according to midyear data from regulatory filings.

At Bank of America (BAC, Fortune 500), JPMorgan Chase (JPM, Fortune 500) and Wells Fargo (WFC, Fortune 500), loan growth trailed deposit growth by a wide margin.

And Citigroup (C, Fortune 500), the bank that has received the most federal aid since the market meltdown of September 2008, reported a decrease in lending despite an increasing pool of deposits.

All told, the five biggest deposit-taking banks added $852 billion in core deposits over the past year—essentially checking and savings accounts of less than $100,000.

Over the same period, their loan portfolios rose by just $564 billion.

This is noteworthy because these five banks received more than $100 billion in direct taxpayer assistance via the Troubled Asset Relief Program (TARP)—a program that was set up to replenish the depleted capital levels of banks and allow them to boost lending to consumers and small businesses.

Some fear the lending gap could hamper chances of an economic recovery.

Federal Reserve governor Daniel Tarullo told Congress this month that commercial bank lending has declined through most of 2009, ''with particularly severe consequences for small- and medium-sized businesses, which are much more dependent on banks than on the public capital markets that can be accessed by larger corporations.''

Of course, the slower loan growth is hardly a shocker. Loan demand naturally drops off during a recession, as consumers and businesses pay down debt and build cash reserves.

The latest Fed senior loan officer opinion survey cited weaker demand for all sorts of loans—particularly industrial loans and commercial real estate loans.

JPMorgan Chase spokesman Tom Kelly ''said that's why the bank's loan growth lagged its deposit growth.

''We continue to lend, but what happened in the market and the economy last year really spooked a lot of people. So they started parking cash at banks,'' he said.

Banks have also been reluctant to lend since they have been taking big hits as existing loans go sour as well.

Commercial net loan charge-offs hit 2.06% in the second quarter—their highest level since the government started tracking the data in 1988, according to the Federal Financial Institutions Examination Council.

Still, evidence that the banks are sitting on cash won't sit well with the growing chorus of bailout critics.

Big banks have come under fire for resisting plans to reduce the risk of another financial sector meltdown and for handing out huge pay packages at a time when jobs are disappearing.

Last week's disclosure that Goldman Sachs (GS, Fortune 500) has set aside $16.7 billion for employee pay this year inflamed critics who question why bankers should reap the fruits of unlimited taxpayer support while the unemployment rate is at a 26–year high.

Many of the deposit gains came after big banks took over weakened competitors during last year's crisis.

JPMorgan Chase bought Washington Mutual after the Seattle-based savings and loan became the nation's largest bank failure.

Bank of America bought Countrywide and Merrill Lynch, both of which owned banks that were among the top 20 in deposits before their acquisition. BofA didn't immediately return a call seeking comment.

Wells Fargo and PNC both bulked up by buying bigger but deeply troubled rivals. Wells acquired Wachovia after it suffered a deposit run, while PNC purchased National

City after its request for TARP funding was denied. PNC didn't comment.

''We are in fact lending to creditworthy customers,'' said Wells spokeswoman Julia Tunis Bernard. She said Wells extended $471 billion in new loan commitments between October 2008 and the end of the second quarter—some 19 times the bank's TARP take.

Even Citi, which sat out last fall's frenzied game of banking musical chairs, still posted double-digit deposit growth as Americans fled other investments for the safety of federally insured banks. Citi didn't reply to a request for comment.

The top five firms—dubbed too-big-to-fail, or TBTF, for their implicit government support—now control 37% of the nation's deposits.

That's well above their average from earlier this decade, reviving questions about the risks of a financial system that's even more concentrated than the one that imploded last fall.

''The TBTF problem has not only moved beyond the banking system, it has become much too costly for taxpayers and the U.S. economy,'' University of Massachusetts researcher Jane D'Arista wrote in an August paper.

BORDER WAR—THE ZETAS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE of Texas. Madam Speaker, I bring you news from the second front—the war on the border between Mexico and the United States. Dangerous drug cartels are already in control of major stretches of the U.S.-Mexico border, and they're taking over whole Mexican border towns.

The Zeta drug cartel is the most violent and the most feared of the Mexican drug cartels. Zetas have attacked Mexican towns in military-style operations at platoon-strength numbers. They have massacred hundreds of their competitors, often beheading and dismembering them. They have fought hour-long battles with the Mexican military in the streets of Matamoros. Madam Speaker, Matamoros is a border town on the Rio Grande River across from Brownsville, Texas.

Recently, shots came over that border, hitting buildings and a parking lot at a University of Texas branch in Brownsville. Authorities presumed this violence was from the drug cartels, themselves. The Zetas have moved into Matamoros. They also claim to control Nuevo Laredo, which is across from the Texas town of Laredo.

The Zetas have no fear of the authorities. There is no law or order in any of the towns they control, and they have assassinated police chiefs and local politicians. They own the towns. They have raised terror throughout Mexico—fighting their rivals, the Mexican Army and the police. The success of the Zeta cartel has forced other Mexican drug cartels into an arms race with military weaponry and tactics.

Who are these Zetas, and where do they come from?

Well, the Zetas were formed by deserters from the Mexican Army's veteran elite Airborne Special Forces Group. The Zetas also include former members from the Guatemalan Kaibiles Special Forces organization. We trained them here in America, at the School of the Americas, in the latest and best tactics and weaponry. When they got back home, they deserted from the military, and they went to work for the drug cartels. In essence, they declared war on the Mexican Government, and they became part of what they were trained to fight.

They make a lot more money in trafficking guns, drugs and people than they would ever have in working as a Mexican or a Guatemalan soldier, and they're using superior military training—that training they received at the expense of the United States. Trafficking in drugs, arms and human beings is a very lucrative business. Billions of dollars worth of merchandise is moved across our southern border every year.

The Zeta international trafficking cartel has evolved into a privately funded military army. They have the best military equipment money can buy, and they have transformed into an international gang, working even in the United States. Without a secure southern border, the violence will continue in Mexico, and only those who live in never-never land will think the problem will not get to the United States. The Zetas are an urban guerrilla organization which threatens to topple any semblance of law and order.

According to the Houston Chronicle, the ''Zeta gunmen and their accomplices routinely blockade Matamoros' downtown streets. Last winter, the gangsters mobilized thousands of people to briefly close the region's bridges across the Rio Grande, halting trade'' with the United States into Brownsville.

Now, the administration's strategy is to look the other way and to pretend it's not happening. Well, we cannot wish away this threat to public safety and to America's national security. We must not allow the situation to continue to escalate unchecked, because violence is actually spilling out into the streets of America near our border towns. Our local law enforcement is overwhelmed. The border sheriffs need more assistance. They are not equipped or trained to handle these military-style incursions by the Zetas and by other drug cartels.

While the administration is stalling and deliberating about what to do in Afghanistan, the government is also giving little attention to our southern border, but this is not the first administration to neglect enforcing the rule of law on the southern border. There has been much rhetoric for years from the government about protecting the border, but like my grandfather used to say, ''When all is said and done, more is said than done,'' and that is especially by the government.

The Nation needs to understand there is a border war on our southern border. Immediate action is necessary, and the United States should conduct training on the southern border with our military. This will help deter incursions. Plus the Governors from Texas and New Mexico have asked for the National Guard to be sent to the border. So more National Guard troops should be sent to protect the dignity and the sovereignty of our Nation, because the first duty of government is to protect the people, to protect us from the invasion of the crime cartels.

The people who live on the border on both sides of the Rio Grande have a right to expect their government to protect them from the Zetas and from all other criminal cartel enterprises which illegally cross the border.

And that's just the way it is.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

(Ms. WOOLSEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

H.R. 268—MILITARY CHAPLAINS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES. Madam Speaker, it is a sad day in America when our chaplains in the military cannot pray according to their faiths and consciences. Our troops are risking their lives in dangerous countries to protect the religious freedoms of others, but our own military does not always permit that our military chaplains can pray according to his or her faith.

For this reason, I have introduced H.R. 268, which is a bill to ensure that every military chaplain has the prerogative to close a prayer outside of a religious service according to the dictates of the chaplain's own conscience.

I have spoken with many, many chaplains who have served in conflicts from Vietnam to Desert Storm, and there never was any restriction on chaplains and on how they prayed until the mid-1990s. This suppression of religious freedom, the very principle on which this country was founded, is a pervasive problem that is affecting every branch of our Armed Forces and that is affecting chaplains of every denomination. As of 2008, 76 percent of the chaplains were Protestant, 9 percent Catholic, 1 percent Jewish, and 14.1 percent were of some other faith.

About 5 years ago, I was introduced to the case of Army Captain Chaplain